



# INDIANA CHARTER SCHOOL BOARD

## **ESCROW ACCOUNT REQUIREMENTS**

*Fall 2012*

Section 3.7 of the Indiana Charter School Board (“ICSB”) Charter Agreement states the following: “The Organizer will establish an escrow account in order to facilitate the wind down of operations and audit expenses that would be associated with the dissolution of the Charter School, should it occur. This escrow account shall be established in accordance with the Indiana Charter Board policy.”

The ICSB has established the following policy with respect to the Escrow Account: each charter school must establish an Escrow Account of no less than thirty-thousand Dollars (\$30,000). The school may provide for the full amount in its second-year budget, or provide for a minimum of ten-thousand Dollars (\$10,000) per year for the first three years of its charter term, beginning with the December following the first fiscal year of instruction. The Charter School’s failure to provide for a minimum of ten-thousand Dollars (\$10,000) by December 31st in each of the first three years of its charter term, beginning with the December following the first fiscal year of instruction, will be deemed a material violation of the Charter Agreement.

For example, a school that begins serving students in August 2013 must provide for an Escrow Account minimum of \$10,000 by December 31, 2014, an additional minimum of \$10,000 by December 31, 2015, and an additional minimum of \$10,000, for a total minimum of \$30,000, by December 31, 2016.

For questions regarding this policy, please contact the Executive Director at (317) 232-9080.